

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Ag-Bag International Ltd.

Oregon Manufacturing Extension Partnership

Ag-Bag International Develops Lean Assembly Process

Client Profile:

Ag-Bag International Ltd. was founded in 1978 in Warrenton, Oregon and has a sister plant in Blair, Nebraska. Ag-Bag International's 90 employees manufacture feed storage bags and bagging equipment.

Situation:

Ag-Bag International needed to make improvements to its manufacturing process for larger bagging machines at the Warrenton facility. The company wanted to reduce assembly hours, negotiate cost reductions with suppliers, and secure more reliable delivery from its supplier of frame weldments. Ag-Bag asked the Oregon Manufacturing Extension Partnership (OMEP), a NIST MEP network affiliate, for assistance.

Solution:

OMEP proposed a "lean manufacturing line" to help Ag-Bag achieve its goals, as well as improve work practices and expand manufacturing employee involvement in the lean process. An OMEP partner, Lean Enterprise Training (LET), completed the project.

LET employed a kaizen-style format to obtain quick and effective results for Ag-Bag. LET assigned a team of Ag-Bag employees and trained them in the lean principle of value stream mapping (VSM). This principle creates a detailed "map" of the process steps in an effort to identify and eliminate inefficiency and waste. The team, led by LET, documented the entire existing assembly process using VSM. After identifying and analyzing each step, the team either eliminated, redesigned, or reassigned the assembly processes into a more efficient work sequence. Ag-Bag tested its new process sequence on a machine and made adjustments. These efforts enabled the company to reduce the number of assembly hours on a typical machine, reduce the associated costs, and foster a sense of commitment and ownership among team members.

Results:

Reduced assembly hours on one typical machine from 270 hours to 215 hours.
Shared results with major suppliers, resulting in additional cost savings.
Shared results with sister plant in Blair, Nebraska.
Making further efforts to eliminate waste in the manufacturing process.

Testimonial:

www.mep.nist.gov



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"The lean manufacturing assembly process, along with expert and professional facilitating from the Oregon Manufacturing Extension Partnership, gave Ag-Bag significant manufacturing improvements and met our short-term objectives. Longer term, we must take these process improvements and build on them for increased financial performance, improved machine reliability, and expanded employee involvement and satisfaction. The OMEP initiative started us down that road."

Michael Schoville, CEO